

STATE OF INDIANA )  
 ) SS:  
COUNTY OF ELKHART )

IN THE ELKHART CIRCUIT COURT  
CAUSE NO. 20C01-0105-CP-238

STATE OF INDIANA, )  
 )  
Plaintiff, )  
 )  
v. )  
 )  
JUD STILLSON, )  
 )  
Defendant. )

**FILED**  
**MAR - 2 2005**  
**CLERK ELKHART**  
**CIRCUIT COURT**

### **SUMMARY JUDGMENT**

The Plaintiff, State of Indiana, by Attorney General Steve Carter and Deputy Attorney General Eric Jackson, having filed its Motion for Summary Judgment and its Memorandum and Designation of Evidence in Support of Plaintiff's motion, and the Court having conducted a hearing on the same, now **GRANTS** Plaintiff's motion and makes the following findings of undisputed facts:

### **UNDISPUTED FACTS AND CONCLUSIONS OF LAW**

1. The Blessing was a program organized as a pyramid-shaped grid consisting of four levels. People wishing to join the Blessing on the bottom level, as 'Freshmen', would pay the top level person, the 'senior', \$2,000.00. Once the 'Freshmen' level was full, the grid would split and the second level, the 'Sophomores,' as well as the third level, the 'Juniors', and each of the other levels would advance up the grid. Eventually the 'Freshmen' would reach the 'Senior' position and receive \$16,000.00.

2. The Defendant joined the 'Blessing' pyramid scheme by 'splitting a square' with three other people and by paying \$500.00 to David Tompos.

3. Once the Defendant became a 'Senior' he received phone calls from people wishing to join his grid and arranged meetings at a Meijer or Wal-Mart parking lot to collect their money.

4. The Defendant arranged meetings and received \$2,000 each from seven people who joined his grid.

5. The Defendant gave the people who joined his grid a 'gifting statement' and a copy of the grid.

6. The Defendant met with Francis Beard and Melissa Kryder at a Meijer parking lot and collected \$1,000 from each of them for the purpose of joining his Blessing grid by 'sharing a square'.

7. The Defendant told Beard and Kryder that the Blessing was amazing and that people were just giving him money.

8. The Defendant met with Robert Neice in a church parking lot and collected \$2,000 from him for the purpose of joining Defendant's Blessing grid.

9. The Defendant gave Neice a 'gifting statement' and a copy of his grid.

10. The Defendant was aware that the 'Juniors' and 'Sophomores' on his grid were recruiting 'Freshman' to fill up the grid.

11. The Defendant progressed up the pyramid and became a 'Senior' and divided \$14,000.00 with the other members of his square.

12. After becoming a 'Senior' on his first grid the Defendant joined another grid 'by splitting a square' with his cousin.

13. The Defendant joined another Blessing grid by paying \$2,000.00 to John Kirkwood.

14. The Defendant joined another Blessing grid by paying \$2,000 to David Tompos.

15. After a newspaper ran an article stating that the Blessing program was an illegal pyramid scheme, the Defendant met with the members of his grid and decided to continue operating the grid. The Defendant purchased the final square on his grid in order to fill it up and keep the grid going.

16. The Defendant received \$4,500.00 as a result of his participation in the Blessing.

17. The Defendant did not refund any money to Kryder or Neice.

### **JUDGMENT**

Having reviewed this matter on the merits, and finding that there is no material issue of fact, the Court renders judgment in favor of the Plaintiff and holds:

- a. That the above-listed undisputed facts prove that Defendant knowingly violated Ind. Code §24-5-0.5-10(a)(3) by promoting a pyramid scheme.
- b. That the Defendant, Jud Stillson, knowingly committed two (2) violations of the Deceptive Consumer Sales Act by receiving money from Melissa Kryder and Robert Neice;
- c. That these violations are deceptive acts as defined by the Indiana Deceptive Consumer Sales Act, Ind. Code §24-5-0.5-10(a)(3), subjecting the Defendant to the remedies provided under said Act;
- d. As a result of his promotion of a pyramid scheme the Defendant received \$1,000.00 from Melissa Kryder and \$2,000.00 from Robert Neice;
- e. That the Indiana office of the Attorney General has spent 32.7 hours in the prosecution of this case at a rate of One Hundred Thirty-Five Dollars (\$135.00) per hour, for a total of Four Thousand Four Hundred Fourteen Dollars and Fifty Cents (\$4,414.50) in attorney fees. Further, the Indiana Office of Attorney General has incurred additional costs of One Hundred Ninety-Nine Dollars and Twenty-Two Cents (\$199.22).

It is therefore ORDERED, ADJUDGED, AND DECREED that:

1. Defendant Jud Stillson is permanently enjoined pursuant Ind. Code § 24-5-0.5-4(c) from operating or promoting a pyramid scheme.

3. The Defendant is ordered to pay restitution pursuant to Ind. Code § 24-5-0.5-4(c)(2) to the Indiana Office of Attorney General for the benefit of Melissa Kryder in the amount of One Thousand Dollars (\$1,000.00) and Robert Neice in the amount of Two Thousand Dollars (\$2,000.00), for a total restitution in the amount of Three Thousand Dollars (\$3,000.00).

4. Civil penalties are imposed under Ind. Code § 24-5-0.5-4(g) in the amount of One Thousand Dollars (\$1,000.00) for the Defendant's two knowing (2) violations of Ind. Code § 24-5-11-10(a)(3).

6. That pursuant to Ind. Code 24-5-0.5-4(c)(3), the Plaintiff is awarded costs and reasonable attorneys fees in the amount of Four Thousand Six Hundred Thirteen Dollars and Seventy-Two Cents (\$4,613.72).

For a total monetary judgment in the amount of Eight Thousand Six Hundred Thirteen Dollars and Seventy-Two Cents (\$8,613.72).

All of which is **ORDERED, ADJUDGED and DECREED**, this \_\_\_\_ day of \_\_\_\_\_, 2005.

\_\_\_\_\_  
Judge, Elkhart Circuit Court

**DISTRIBUTION:**

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